



December 22, 2004

Mr. Charles Terreni Chief Clerk/Administrator South Carolina Public Service Commission P. O. Drawer 11649 Columbia, SC 29211

RE: Docket No. 2004-55-E

Dear Mr. Terreni:

Pursuant to Public Service Commission Order No. 2004-367(A) issued in Docket No. 2004-55-E, Progress Energy Carolinas, Inc. ("PEC") submits the actual storm damage expenses incurred by PEC associated with an ice storm that occurred in January 2004. The total system cost of the storm was \$15,661,828. The total system incremental operating and maintenance costs were \$13,161,657. The South Carolina jurisdictional portion of such incremental operating and maintenance costs were \$9,073,667.

Very truly yours,

Len S. Anthony

Deputy General Counsel-Regulatory Affairs

LSA:mhm

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